Business Wire

June 4, 2007 Monday 12:00 AM GMT

DISTRIBUTION: Business Editors; Financial Analysts

LENGTH: 616 words

HEADLINE: Lerach Coughlin Stoia Geller Rudman & Robbins LLP Files Class Action Suit Against Macy's Inc. (f/k/a Federated Department Stores, Inc.)

DATELINE: SAN DIEGO

BODY:

Lerach Coughlin Stoia Geller Rudman & Robbins LLP ("Lerach Coughlin") (http://www.lerachlaw.com/cases/macys/) today announced that a class action has been commenced in the United States District Court for the Southern District of New York on behalf of purchasers of Macy's Inc. (formerly known as Federated Department Stores, Inc.) ("Macy's") (now (NYSE:M) - formerly (NYSE:FD)) publicly traded securities during the period between February 8, 2007 and May 15, 2007 (the "Class Period").

If you wish to serve as lead plaintiff, you must move the Court no later than 60 days from today. If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact plaintiff's counsel, Darren Robbins of Lerach Coughlin at 800/449-4900 or 619/231-1058, or via e-mail at wsl@lerachlaw.com If you are a member of this class, you can view a copy of the complaint as filed or join this class action online athttp://www.lerachlaw.com/cases/macys/. Any member of the purported class may move the Court to serve as lead plaintiff through counsel of their choice, or may choose to do nothing and remain an absent class member.

The complaint charges Macy's and certain of its officers and directors with violations of the Securities Exchange Act of 1934. Macy's, the second-largest U.S. department store franchise, operates more than 850 department stores in 45 states, the District of Columbia, Guam and Puerto Rico under the names of Macy's and Bloomingdale's. Macy's acquired May Department Stores Co. ("May") in 2005 for $11 billion.

The complaint alleges that between February 8, 2007 and May 15, 2007, defendants caused Macy's shares to trade at artificially inflated levels by concealing that the May integration was actually failing, sales growth was diminishing, the Company's business had deteriorated, and as a result, its sales projections were grossly overstated. Defendants' positive statements had their intended effect and the Company's stock price reached a Class Period high of $46.70 by March 23, 2007.

The complaint further alleges that Macy's stock price plummeted between May 10, 2007 and May 15, 2007, as the Company disclosed that customers of the former May stores had actually rejected the rapid conversion, that sales at the Company's new Macy's stores had declined during the first quarter of 2007, and that in particular, the Company's decision to dramatically cut the number of days coupons could be used at the former May locations had badly damaged sales. On this news, the Company's stock price plunged to a price nearly 18% lower than its Class Period high, erasing over $3 billion in market capitalization.

Plaintiff seeks to recover damages on behalf of all purchasers of Macy's publicly traded securities during the Class Period (the "Class"). The plaintiff is represented by Lerach Coughlin, which has expertise in prosecuting investor class actions and extensive experience in actions involving financial fraud.

Lerach Coughlin, a 180-lawyer firm with offices in San Diego, San Francisco, Los Angeles, New York, Boca Raton, Washington, D.C., Houston, Philadelphia and Seattle, is active in major litigations pending in federal and state courts throughout the United States and has taken a leading role in many important actions on behalf of defrauded investors, consumers, and companies, as well as victims of human rights violations. Lerach Coughlin lawyers have been responsible for more than $20 billion in aggregate recoveries. The Lerach Coughlin Web site (http://www.lerachlaw.com) has more information about the firm.

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LOAD-DATE: June 5, 2007